

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

27 March 1957

(REDRAFT OF STAFF MEMORANDUM No. 17-57

Memorandum for the DCI (Draft)

SUBJECT: Probable Developments in the Philippine Political Situation  
and US-Philippine Relations over the next Nine Months

1. President Magsaysay's death has thrown the Philippine presidential race wide open and ushered in a period of political confusion and maneuvering which will probably continue until the elections next November. Although Magsaysay provided the Philippines an important degree of political stability and cohesiveness, he left no coherent political organization of his own. The Magsaysay for President Movement (MPM), which provided the hard core of his political activists, does not appear to have the organization or political strength to insure the continuation of Magsaysay's domestic or foreign policies. The MPM is reported to be reorganizing as the Spirit of Magsaysay Movement in hopes of preserving a political position in the future government.

2. The major political parties are far from a decision as to their candidates or tactics for the presidential elections scheduled for next November. The Liberal Party hopes to take advantage of the new

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political situation to recoup its 1953 election losses. Currently heading its list of possible candidates is Jose Yulo, a wealthy sugar dealer and former speaker of the House. Yulo is known for his integrity and ability, and is anti-Recto and pro-American. With Magsaysay no longer in the picture, nearly every influential figure in the Nacionalista Party appears to be seeking nomination. As the incumbent the new president, Carlos Garcia, has an advantage, but he faced powerful opposition within the party and his advantage as the incumbent is partially offset by the short time he has to exploit his position. Recto, who has already launched his campaign as an independent Nacionalista, has stated that Magsaysay's death has not changed his plans to run for the Presidency. This clear-cut anti-Magsaysay position will probably prevent him from gaining the political support and popular following necessary to win. It is possible that Recto would withdraw from the presidential race if he should be offered a good consolation prize, but at the present time neither major party appears interested in making a deal with Recto.

3. During the next nine months the Garcia administration will probably seek to avoid major domestic or international policy decisions. Garcia has promised to carry out Magsaysay's policies, but his willingness and ability to do so are uncertain and he may allow Magsaysay's agrarian reform and economic development programs to wither away. However, it is not likely he will publicly repudiate Magsaysay's policies or principles. Because of his long-standing association with

the Nacionalista old guard, their influence will probably increase during Garcia's administration and he may be forced to adopt or to pledge economic policies favorable to the special economic and social interest groups they represent. Most of Garcia's actions and policies over the next nine months will probably be based on his desire to be elected and he will probably make whatever compromises he thinks necessary to his nomination and election.

4. President Garcia's attitude toward the base negotiations is not clear. Although he headed the Philippine negotiating panel, he played a nominal role in its deliberations. Apparently he was not fully informed of the informal negotiations being conducted by Magsaysay up to the time of Magsaysay's death. While he may seek to continue the negotiations believing that a favorable settlement would be a valuable political asset, it seems equally likely that he may consider it politically unwise to open up such a potentially explosive issue before the elections.

5. Although Magsaysay was the leading exponent of friendly relations with the US, his death is not likely to result in a significant deterioration in US-Philippine relations over the next nine months. Most candidates and parties will probably believe it politically unwise to oppose Magsaysay's basic pro-American policies. Although Recte and other ultra-nationalists may make some extreme statements or attempt to highlight troublesome issues in US-Philippine

relations, on balance, we believe manifestations of anti-Americanism will probably be less than would have been the case if Magsaysay had lived.

6. In NIK 66-57, 12 February 1957, we estimated that "over the longer run, the force of nationalism in the Philippines will continue to grow and that within the framework of dependence on the US there will be increased pressures for a more independent foreign policy and a general loosening of ties with the US." We believe that the death of Magsaysay will accelerate these tendencies because there appears to be no likely successor able or willing to maintain the same degree of stability and cooperation in US-Philippine relations.

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